of interests payment on NRI deposits is maintained by Reserve Rank of India. Further, on many occasions, interest amounts reinvested as principal in the normal course on maturity, for which the amount of interest so paid is not known

to Reserve Bank of India. However total outflow of foreign exchange in respect of NRI deposits during the year 1990-91 was Rs. 7365.94 crores including interest amount.

(b) Interest rates are as under;

Maturity	£Sterling	US$	D.M.	Yen
upto 6 months	13.25%	7·50%	10%	8·50%
More than 6 months but upto 1 year . . .	13·25%	8%	10·25%	8·50%
1 year to 2 years	13·25%	8·50%	10·50%	8·50%
2 years to 3 years	13·25%	9%	10 50%	8·50%

Interest on NRI deposits is at per with that for resident deposts,

Operation of India Development Bond Scheme

1099. MISS SAROJ KHAPARDE; Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 392 given in the Rajya Sabha on the 26th November, 1991 and state;

(a) whether it is a fact that the State Bank of India's U,S. Dollar denominated India Development Bonds (U>B) was expected to rake in a staggering $3 to $4 billion as per the news item entitled "S.B.I. hopes to nab $3-4 billion from bonds" which appeared in the 'Times of India'. of the 27th September, 1991;

(b) whether it is also a fact that the; bonds are very expensive for SBI to operate at a profit; and

(c) if so, what steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR); (a) The State Bank of India had no expectation of netting $ 3-4 billion under India Development Bonds Scheme, 1991.

(b) The rate of interest payable on India Development Bonds, which is a five year instrument, is only 0.5 per cent higher than the rate payable on US Dollar Foreign Currency Non-Resident Accounts for three years, which carry an interest of 9 per cent p.a. Higher interest on India Development Bonds, which is marginal, is due to the longer term of the Bonds compared to FCNR.

(c) The question does not arise

Ad hoc Promotions ta the Ministry of Finance

1100. SHRI G. SWAMY NAIK; Will the Minister of FINANCE be pleased to state;

(a) whether 40 point roster system for governing ad hoc promotions is still in force;

(b) if so, whether SC/ST Section Officers in his Ministry were given ad-hoc promotion in the years 1990 and 1991 to the post of Under Secretary on the points reserved in the said roster system;

(c) whether the instructions contained in D.P. & A.R.'s O.M. No. 36011/14/ 83-Estt. (SCT) dated 30th September, 1983 restricted the said SC/ST Section Officers from getting ad-hoc promotion to the extent of their share as per the said roster system in that Ministryduring the above said period;

(d) whether the instruction mentioned in part (c) above were allegedly demanded to be scrapped by Dr. Mahadipak Singh Shakya, MP (Lok Sabha) through his letter dated the 12th June, 1990 addressed to the then Prime Minister; and

(e) if so, action taken in this regard? regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE); (a) to (c) The instuuctions contained in Deptt. of Personnel and Training (DOPT) O.M. No. 36011/14/83-Estt. (SCT) dated 30-4-1983 and 30-9-1983 are being followed for purposes of making ad hoc promotions to the post of Under Secretaries in the Ministry of Finance. These instructions, *inter alia,* provide that SC/ST candidates, who are within the number of actual vacancies in accordance with their general seniority and if they are not adjudged unfit should all be promoted on ad hoc basis. If, however, the number of SC/ST candidates found fit within the range of actual vacancies is less than the number of vacancies] identified as falling in their share, then additional SC/ST candidates to the extent required should be located by going down the seniority list but within five time$_s$ the number of vacancies filled on a particular occasion, subject to their eligibility and fitness.

Accordingly, one SC officer in 1990 and two SC officers in 1991 till date have been promoted as Under Secretaries on ad-hoc bartis.

(d) and (e) Dr. Mahadipak Singh Shakya, M.P. had demanded scrapping of the DGFPs instructions dated 30-9-1983 through a letter addressed to the then Prime Minister (Shri V. P. Singh). The Department of Personnel and Training, to whom the matter was referred as the nodal Department for- reservations for SC/ ST in the Government service, have not found this suggestion a$_s$ feasible in view of short-term nature of ad hoc promotion*.

Flight of Deposits from Banks

1101. SHRIMATI KAMLA SINHA Will the Minister of FINANCE be pleas ed to state;

(a) whether it is a fact tha depositor are withdrawing their savings from bank due to Government's decision to tax th interest on deposits;

(b) whether it is also a fact that th World Bank and International Monetar Fund wanted interest rates to be raise so as to attract savings; and

(c) if so, how doe$_s$ Government pre pose to halt the flight of deposits fror banks?

THE MINISTER OF STATE IN TH] MINISTRY OF FINANCE (SHRI DAI BIR SINGH); (a) The deposits of a Scheduled Commercial Banks have in creased from Rs. 208317 crores as o 20th September, 91 to Rs. 215503 cron as on 15th November 1991 It woul thus be seen that total deposits in absc lute term$_s$ have not decreased.

(b) and (c) The Reserve Bank of Ind (RBI) reviews the interest rate structuj on deposits from time *to* time, keepin i,n view certain factors like, growth ra) of economy and its subsectors, the rate (inflation, the pace of monetary expansio the cost of raising resources by bank the profitability of banks etc. As a resu of such a review, the last revision in tl interest rate structure was made on 9: October, 1991. The trends in the grow of bank deposits remain under consta review of Reserve Bank of India at Government and corrective steps a taken whenever called for.

Bill for creaation of a Legislative Cou cil in A.P.

1102. SHRI T. CHANDRASEKHA REDDY; Will the Minister of LAA JUSTICE AND COMPANY AFFATI be pleased to state by when Governme oropose to reintroduce the Bill for cr« tion of a Legislative Council in Andh Pradesh?